

TOWN OF WELLESLEY



MASSACHUSETTS

CONTRIBUTORY RETIREMENT SYSTEM

TOWN HALL • 525 WASHINGTON STREET • WELLESLEY, MA 02482-5992

RETIREMENT BOARD

DAVID N. KORNWITZ, CHAIRMAN
TIMOTHY BARROS, VICE CHAIRMAN
SHERYL STROTHER
CHARLES CAHILL
MICHAEL LEACH

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LYNN WHYNOT
RETIREMENT ADMINISTRATOR

May 28, 2014 BOARD MEETING MINUTES

A duly called, posted meeting was held at 7:43 a.m. in the Peg Arnold Room, Wellesley Free Library, Wellesley, Massachusetts.

Members Present: David Kornwitz, Sheryl Strother, Charlie Cahill.

Also present: Lynn Whynot, Retirement Administrator, Caitlin Russo, Administrative Assistant, Marc Waldman, Treasurer/Collector, Fran Peters and Alli Wallace from Meketa.

Fran Peters and Alli Wallace presented a Quarterly Review as of March 31, 2014 of the Town of Wellesley OPEB Funds as well as Review of PRIT Performance. The OPEB assets were invested in PRIT at the beginning of calendar 2014. The total fund aggregate return for 2014 Q1 was 2.7% and all asset classes exceeded their benchmark. Meketa noted that the benchmarks chosen by PRIT were reasonable and they will continue to monitor the appropriateness of PRIT's benchmark selection. Only the PRIT Real Estate asset class compares itself to a custom benchmark. Historically PRIT's performance has ranked above the median return of the public fund peer universe over the 1, 3, 5, and 10 year trailing periods.

PRIT has a more complex portfolio structure than the pre-2014 OPEB Portfolio. The PRIT asset allocation includes alternative investments in hedge funds, private equity, and timber/natural resources. With this more complex portfolio, the risk profile as measured by Meketa is higher resulting in an increased annual expected return (8.1% vs. 7.3%) along with increased volatility. The Board noted that the goal continues to become better funded before entering into a glide path to derisk the portfolio. The Board requested Meketa include asset performance on the various investment sleeves offered by PRIT in future presentations.

The Board also discussed the current OPEB funding arrangement that will expire in 2017. Sheryl Strother will review the future of OPEB funding and research whether special legislation and/or town votes will be necessary. Lynn Whynot will coordinate with Marc Waldman and Segal Consulting regarding the July 1, 2014 OPEB valuation and preliminary assumptions and sensitivity analysis.

On a motion made by Sheryl Strother and seconded by Charlie Cahill the Board voted unanimously to approve the open session minutes for the meeting of April 29, 2014.

On a motion made by Sheryl Strother and seconded by Charlie Cahill the Board voted unanimously to declare Timothy Barros elected to the Wellesley Retirement Board effective July 1, 2014, as he was the only candidate to submit nomination papers. Timothy Barros' three year term will end on June 30, 2017.

On a motion made by Charlie Cahill and seconded by Sheryl Strother the Board unanimously approved attendance for both Administrator Lynn Whynot and Board member Timothy Barros at the MACRS Annual Meeting and Spring Conference to be held in Hyannis, Massachusetts June 1st - June 4th.

The Board voted the following members in the Town of Wellesley Retirement System:

<u>Name</u>	<u>Mbr #</u>	<u>Effective Date</u>	<u>Dept.</u>	<u>Group</u>	<u>Position</u>
Irene Isagbah	5670	04/10/2014	School	1	Teaching Asst.
Dawnmarie Cole	5671	04/30/2014	Facilities	1	Custodian
Andrew Sanger	5672	04/30/2014	Facilities	1	Custodian
David De Mauro	5673	05/06/2014	DPW	1	Night Watchman
Justin Monta	5674	05/07/2014	DPW	1	Tree Climber 3
Scott Destrempe	5675	05/08/2014	DPW	1	Med Equip. Operator
Matthew Ferrara	5676	05/08/2014	DPW	1	Med Equip. Operator
Scott Szczebak	5677	05/08/2014	HR	1	HR Director

The Board voted the following Retirees in the Town of Wellesley Retirement System:

<u>Name</u>	<u>Retirement Date</u>	<u>Dept.</u>	<u>Group</u>	<u>Position</u>
Susan Hernandez	07/08/2014	School	1	Secretary
Mary Hunnefeld	07/18/2014	School	1	Secretary

The Board noted the following Deaths in the Town of Wellesley Retirement System:

<u>Name</u>	<u>Death Date</u>	<u>Dept.</u>	<u>Group</u>	<u>Status</u>
John Mabee	04/24/2014	Library	1	Option A

VOTED: To approve Voucher #201408

King Information Systems, Inc.	\$120.00
Michael Sacco	144.00
Lynn Whynot (Mileage Reimb.)	39.98
MACRS	810.00
Pension Technology Group	14,900.00
Staples Advantage	233.19
Thompson West Payment Center	74.00
Town of Wellesley (Reimb. for hotel)	173.14
Town of Wellesley (Reimb for BOA)	<u>377.15</u>
	\$16,871.46

The next Board meeting will be held at 7:30 a.m. on Tuesday, June 24, 2014 in the Peg Arnold Room.

VOTED: To adjourn.

Adjourned at 9:15 a.m.

Approved: Tuesday, June 24, 2014

Respectfully Submitted,
WELLESLEY RETIREMENT BOARD